

Dear FCC Commissioners

I just went through the "Biannual Review" materials, WC Docket Number 02-313 Below is what the Bell's lobbying group and association, the USTA, is asking for ----the removal of all documentation and accounting requirements, just to name a few items.

I consider this entire process an outrage and the FCC should immediately halt this proceeding and start all over again. Record Shredding should be illegal and not sanctioned by the FCC.

The FCC is in violation of every conceivable part of the Regulatory Flexibility Act (as amended). It has gotten only 17 comments and reply comments (6 from the same person) for one of the most important discussions --- making sure that the Bell companies keep accurate accounting books.

There was no effort on the part of the FCC to make sure that small businesses were included in these discussions. Teletruth recently conducted a campaign in New Jersey, with phonebill auditing firm LTC Consulting, to collect phonebills. We discovered that 50% of all phonebills had mistakes ---- the destruction of phonebills would obviously be a violation of basic accounting principles because these customers, who are entitled to refunds, some going back years, would denied the proper safeguards and protections.

And the destruction of the commercial property records would also be a travesty. The FCC's own auditors found \$19 billion dollars of missing or unverifiable equipment missing. This equipment inflated telephone rates, not to mention monies owed to the US Public based on IRS/tax issues.

The FCC turned these audits over to the states and so far, the New York Public Service Commission found \$633 million of missing equipment -- and that was only 1/4 of the audits needed.

Teletruth has active complaints filed in New York, New Jersey and Massachusetts, as well as active complaints at the IRS and SEC on these audit issues. How can the FCC even entertain the destruction of these records when every customer is effected by the continued audits?

The Regulatory Flexibility Act requires the FCC to do an impact study on the impacts their laws will have on small businesses -- and obviously, in this case, the destruction of records harms every customer's right to a just and reasonable settlement if the Bells are found to have wronged them. Without ALL of this critical information, every customer loses their rights.

The lack of proper notification, the lack of an impact statement, the lack of inclusion of every small business in the process of this important review is enough for the FCC to redo this entire proceeding.

Below is the USTA's Comments. On whole, we reject every USTA claim. We consider this nothing more than "Record Shredding" and loosening the regulations on the Bells is a slap in the face of every customer that expects the FCC to do it's job and protect the customers rights.

Bruce Kushnick, Chairman,

For the Board of TeleTruth.

CC: Eric Menge, Small Business Administration,  
Chris Stern, Washington Post

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SUMMARY

The United States Telecom Association (USTA) is concerned that the purpose of the

biennial review is not likely to be achieved because the Federal Communications Commission

(Commission or FCC) has not eliminated unnecessary regulations identified in previous biennial

reviews in a timely manner. USTA reminds the Commission of the statutory mandate that the

Commission must aggressively eliminate unnecessary regulatory burdens on common carriers.

USTA believes that neither the report issued by the Commission to fulfill its year 2000

biennial regulatory review obligations<sup>1</sup> nor the recommendations of Commission staff detailed in

the 2000 Biennial Regulatory Review Updated Staff Report released concurrently<sup>2</sup> provided

adequate changes to the rules. Therefore, USTA recommends the following rules changes to

eliminate unnecessary regulation:

Part 1. Limit the time to consider waiver requests and petitions for reconsideration to one

year. If such filings are not denied within one year, they should be deemed granted.

Part 1, Subpart J. Streamline the pole attachment rules contained in Subpart J in

accordance with USTA's comments in the 2000 Biennial Review.

Part 20, Section 20.11. Deny requests to expand the rules to require reciprocal compensation to CMRS providers for the traffic sensitive elements of their mobile network to

switch or terminate local traffic to mobile customers, which originates on another carrier's

network. Incorporate subsidiary intercarrier compensation issues into the broader Intercarrier

Compensation proceeding.

Part 32. USTA continues to support substantial reduction in the FCC's accounting requirements and urges the FCC to move forward with the FCC's Phase III accounting proceeding.

Part 42. Eliminate this section, except for Sections 42.10 and 42.11, which should be

moved to Part 61.

Part 43. Eliminate the ARMIS reports, or, in the alternative, continue to significantly

streamline the network reports as previously recommended by USTA.

1 The 2000 Biennial Regulatory Review, CC Docket No. 00-175, Report (rel. Jan. 17, 2001) (FCC Report).

2 Biennial Regulatory Review 2000, CC Docket No. 00-175, Updated Staff Report (Jan. 17, 2000) (Staff Report).

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Part 51. Resist any effort to apply these rules to ILEC provision of advanced services

and encourage the Commission to move forward with the Triennial Review.

Part 52. Adopt a cost recovery mechanism for local number portability costs borne by

non-LNP capable carriers.

Part 53. Delete Sections 53.203(a)(2) and 53.203(a)(3), which contain separate affiliate

requirements that prevent BOCs from offering consumers seamless, end-to-end service.

Part 54. Remove the requirement that service providers reimburse USAC for payments

or commitments made to ineligible entities for payments made for eligible services used in an

ineligible manner and refrain from revising the universal service definition.  
Clarify data

collection requirements for ICLS funding.

Part 61. Restructure Part 61 to include only tariff requirements and move the rules

associated with price cap regulation to a new Part XX and the rules associated with rate of return

regulation to Part 69. Permit all ILECs to file contract-based tariffs. Ensure that the tariff filing

requirements are consistent with Section 204(a)(3) of the Act. Streamline the notice period to

file corrections and extend the special permission period.

Part 64, Subpart A. Delete this Subpart.

Part 64, Subpart C. Delete this Subpart.

Part 64, Subpart E. Delete this Subpart.

Part 64, Subpart G. Delete this Subpart since all providers, except ILECs, are permitted

to bundle enhanced services.

Part 64, Subpart H. Delete this Subpart.

Part 64, Subpart I. Move toward eliminating this Subpart and revise the purpose and

recent efforts sections of the Staff Report.

Part 64, Subpart T. Eliminate the requirement that independent ILECs provide interexchange service through a separate affiliate.

Part 65. Eliminate reporting requirements except when a lower formula adjustment is

filed and exclude services that are not subject to price cap regulation. Modify Section 65.700 to

calculate the maximum allowable rate of return on all access elements in the aggregate and

modify Section 65.702 to measure earnings on an overall interstate basis.

Part 69. Revise this section so that it only applies to rate of return carriers and eliminate

the detailed rate element codification and public interest petition requirement.